

Plaintiffs' Exhibit 15

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Sellside 3-Year Strategy

August, 2021

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Part 1: Overall Sellside

1. Sellside Context

The Sellside operates two missions simultaneously: for our network products, as the publisher facing arm of the buy-side to sell Google ads in an advertiser-safe way, and as a Sellside platform for publishers to run their ads monetization businesses. To a large extent, these efforts support each others' success.

It's also useful to examine the role of Sellside in the larger Google context:

1. Google's main business is the intersection of helping users find information and concurrently delivering high ROI advertising solutions alongside content generated by 1st and 3rd parties.

Commented [1]: In addition to network mission + platform mission, is there another broader mission in supporting the long term health of the open / free internet?

Commented [2]: Good question (as per go/ads mission starting with 'Power the open and free internet...')

Commented [3]: Might we also reference how we fund the content that supports our core search business as part of the health of the web story?

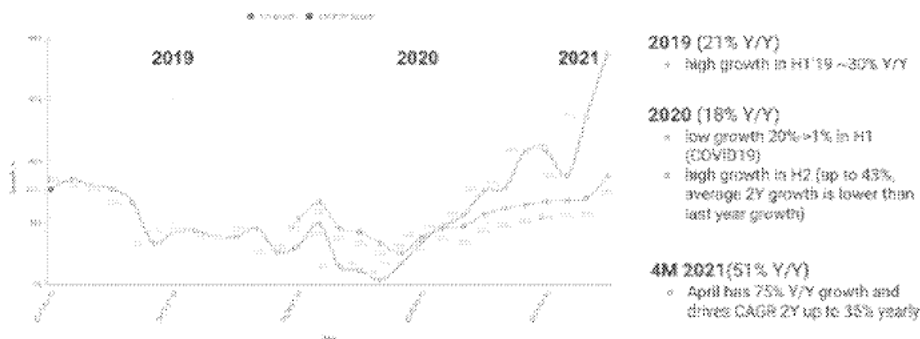
Part 2: Product Specific Strategies

A. Apps Strategy

Key Themes

- A. *Explosive growth in 2021.* In-app ads sector grew 26% YoY in 2020. Average WW time spent in mobile surged 20% YoY to 4.2 hours. Mobile Gaming adoption and spend drove the growth. We see large opportunities in under-monetized categories including finance, retail, and social where monetization has not matched usage growth.

Google revenue in apps grew significantly, from 18% in 2020 to 51% in 2021.



- B. *Platform privacy looms.* Apple's iOS requirement in May will drop CPMs approximately 50%, with consent affecting 90% of queries by July 2021. So far we are seeing consent rates for access to IDFA at 5-20%. We will see further decline when Google stops utilizing IDFA across apps. We anticipate a negative impact to our Android business in 2023, with a 15-50% impact from both (i) removal of AdID and (i) not using AdID across apps.

- C. *Market-driven consolidation.* High multiples in publicly-traded and large privately-financed gaming companies are driving IPOs and M&A. Quick gains from monetization affect valuations and IAP revenue serves as a strategic hedge against IDFA deprecation. We also expect privacy rules to favor 1st party relationships and therefore some amount of consolidation to occur. We already see activity by studios (e.g. Voodoo) and ad network/studio combination (AppLovin, IronSource, Bytedance). APAC companies (tech and non-tech) see the export app business model as a strong investment and hedge against their other businesses. Acquisition targets are also eager to sell due to high valuations and a risky regulatory environment.

Commented [37]: Worth pointing out that global LAT opt out is in addition to these numbers? i.e. not all users can even be ATT'd?

Commented [38]: Estimates based on YT data:

A) 17% global LAT opt out

+

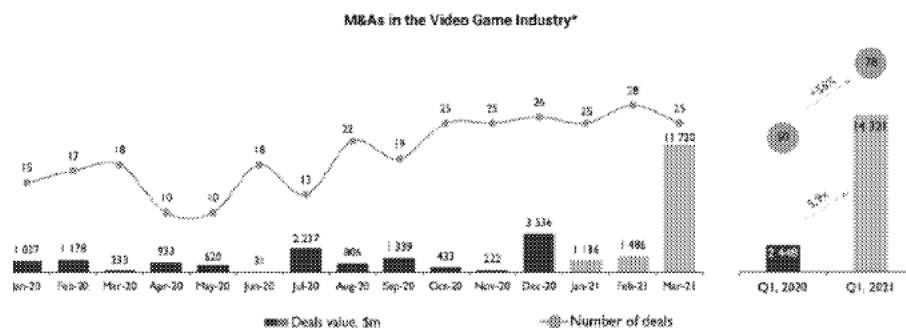
B) 13.5% restricted (kids or enterprise)
= 30% unreachable

So the 20% here is really 20% of 70% = 14%

(I haven't seen as low as 5%... maybe that is trying to speak to IDFA for measurement where you need IDFA on both buy and sell, so ~5%?)

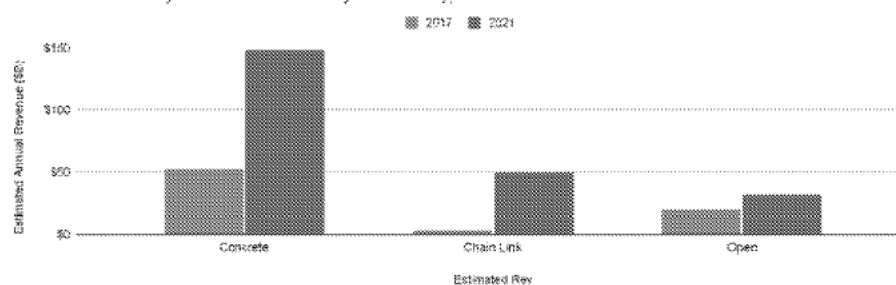
Commented [39]: /s/when/as

Should this be present tense? Since YT and IGA aren't prompting?



D. Walled gardens continue growing, but with different philosophies

Estimated Industry Annual Revenue by Access Type



- a. **Established walled gardens** (Facebook, Tencent, Amazon) - inventory typically requiring purchase through their buying door.
- b. **Chain link** (Snap, Pinterest, Bytedance, Line, Twitter, Mail.ru) - 2nd generation walled gardens that are willing to share access to select parts of their inventory on specific terms.
- c. **Open** - Open access to inventory but the head consists of two sub groups that may limit access in the future.
 - i. **Walls in construction** (Applovin, Ironsource, Zynga, Unity) - Ad tech companies that have acquired gaming publishers or vice versa. They're using Google demand to grow both their gaming and ad tech businesses but are already reducing access to their most valuable inventory and will continue to restrict
 - ii. **Undecided** (Miniclip, EA, Playtika) - Mobile gaming publishing companies that own large portfolios of studios and titles but have not decided whether to start fencing off access.

Strategy and Initiatives

1. Differentiate the platform. Improve off-platform access (details)

By the end of 2021, GDA+DV3 will bid into third-party platforms where we'll maintain a direct relationship with publishers through the AdMob front-end rather than pursue an AWBId → Exchange (only) relationship. The strategic importance of winning publishers onto the AdMob platform remains high since we benefit from additional revenue and avoid others reducing our net bids. The RTB market shift (spurred by Facebook's plan to be all RTB & deprecate mediation by end 2021) alongside Google competing against FB & other demand in third-party RTB results in increased urgency in 2021 to address platform gaps and offer new value propositions. We will further develop value propositions around Google ecosystem integrations, better and more innovative ad format experiences on-platform, and more security around navigating the ads ecosystem with tools such as Funding Choices.

Commented [40]: compliance?

2. Ensure a sustainable ecosystem (details)

Regulators and platform providers (IOS, Chrome, Safari) are taking action to improve privacy and limit access to user data and use of ID spaces. In 2021, we anticipate that Google will proactively influence the ads ecosystem. These changes, plus additional expected but yet unknown changes here (e.g. Android IDs, additional privacy regulation), will require substantial time to analyze, decide and implement our identity and privacy strategy. Areas of focus include Floc, on-device ads (for both privacy and brand safety concerns), potential sdk limitations on Android, per-app/per-publisher identifiers and contextual targeting.

We also intend to use our strengths to combat fraud and protect our advertisers on AdMob to level the playing field for other ad networks. We'll work with Play and industry bodies to limit bad-quality ads and to provide buyers with better inventory verification and transparency tools.

For publishers, we'll clarify criteria for app inventory approvals, improve our appeals process to rehabilitate violating inventory faster, and begin monetizing inventory with user-generated content.

3. Grow revenue through format innovation (details)

Format innovation can drive net revenue growth through the following sellside apps undertakings:

- Performance enhancement through infrastructure, modeling, and attribution improvements. Most notable is the video ads infrastructure and caching work that should dramatically improve video serving.
- New opportunities for ad placements via new inventory formats including: App Open, 'Snap-style' full screen native story ads and privacy-forward' formats that incentivize users to answer a set of questions to tailor the ad experience.

- Improvement in an ads value by influencing user perception of ad quality and usefulness with features such as more ad customization tools), better content to advertisement transitions, and community engagement stats.

What Success Looks Like

1. Improve position with first-place platform brand perception
2. Inventory access to 95%+ of network-available inventory
3. [stretch] penetration into one or more significant walled gardens

B. Ad Manager Strategy (Web)

Key Themes

- A. *Pending cookie deprecation.* Business models will be affected significantly over the next 3 years. Large publishers are hedging bets by investing more in direct relationships with advertisers (i.e. reservations, direct deals) leveraging publisher first party data assets.
- B. *Growing AdTech regulation in privacy and competition.* Regulators continue to scrutinize ad tech. We will see meaningful legislation addressing RTB privacy principles and transparency in the programmatic supply chain.
- C. *Header Bidding plateaued.* Impressions won by Header Bidding as a fraction of overall Ad Manager impressions have been mostly stable over the last 18 months at 5%-12% (see chart below). We saw growth 24 months ago related to GDPR due to Google's relatively stricter stance on privacy. If Google Ads continues imposing a higher privacy bar, more traffic will be monetized via Header Bidding.
- D. *Search for alternative monetization.* The changes described above make it harder and harder for publishers to rely on a purely ad-supported business model. While some head publishers have had success with subscriptions, it remains to be seen if that will scale with others. Publishers continue to experiment with subscriptions and contributions.
- E. *Growing mobile web.* Non-webview mobile web continues to grow much faster than desktop web, indicating the shift to mobile continues and the open web is intact.
- F. *Commerce focus.* Digital retailers from Walmart to Target to Instacart are seeking sophisticated stay-on-site monetization solutions. Criteo is investing heavily in a Sellside platform for retailers (based on their hooklogic acquisition).